AMENDED IN SENATE JUNE 21, 2011 AMENDED IN ASSEMBLY MAY 27, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1143

Introduced by Assembly Member Dickinson

February 18, 2011

An act to add Section 14669.16 to the Government Code, relating to state government. An act to amend Sections 102530, 102531, and 102582 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1143, as amended, Dickinson. Department of General Services: State Board of Equalization facility. Sacramento Regional Transit District: bonds.

Existing law, the Sacramento Regional Transit District Act, creates the Sacramento Regional Transit District with specified powers and duties relative to providing transit services in the Sacramento region.

Existing law authorizes the district to issue revenue bonds under the Revenue Bond Act of 1941, payable from revenue of any facility or enterprise of the district. Existing law also authorizes the district to temporarily borrow money in accordance with various provisions of the Government Code applicable to local agencies.

This bill would provide that revenues or other income, receipts, or amounts made available to the district, including sales tax revenue, are revenues of the enterprise for purposes of paying revenue bonds issued by the district. The bill would exempt the district from certain provisions of the Revenue Bond Act of 1941, but would require a ²/₃ vote of the district board to issue bonds under that act. The bill would revise

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provisions in the Sacramento Regional Transit District Act relating to temporary borrowing to conform these provisions to the Government Code provisions applicable to local agencies. The bill would make other related changes.

Existing law authorizes the Director of General Services to hire, lease, lease-purchase, or lease with the option to purchase any real or personal property for the use of any state agency.

This bill would authorize the director, with the consent of the State Board of Equalization, to enter into a lease, lease-purchase agreement, or a lease with an option to purchase for a build-to-suit facility, for the relocation of the State Board of Equalization in the Sacramento region. This bill would require the Department of General Services (department) to develop the terms and conditions of any agreements or leases authorized by this provision and to provide them to the Department of Finance for review and approval prior to soliciting bids. This bill would require the department to notify the chairpersons of the fiscal committees of the Legislature and the Joint Legislative Budget Committee, or his or her designee, at least 30 days prior to executing the agreement for a lease, lease-purchase, or lease with an option to purchase a build-to-suit of real property authorized by this provision of certain information related to the agreement or lease and the use of the State Board of Equalization's current state-owned headquarters.

Vote: majority. Appropriation: no. Fiscal committee: <u>yes-no</u>. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 102530 of the Public Utilities Code is 2. amended to read:
- 2 amended to read:
 3 102530. The district may issue bonds, payable in whole or in
- 4 part from revenue of any facility or enterprise acquired or
- 5 constructed or to be acquired or constructed by the district, in the 6 manner provided by the Revenue Bond Law of 1941, Chapter
- 7 Chapter 6 (commencing with Section 54300); of Part 1; of Division
- 8 2; of Title 5 of the Government-Code) Code, all of the provisions
- 9 of which are applicable to the disriet district, except that Article
- 10 3 (commencing with Section 54380) of Chapter 6 of Part 1 of
- 11 Division 2 of Title 5 of the Government Code, the limitation on
- 12 the rate of interest set forth in subdivision (b) of Section 54402 of
- 13 the Government Code, and the restrictions therein provided against

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the securing of bonds by the taxing power or the proceeds of taxation do not apply to the issuance and sale of bonds pursuant to this article and instead, the district shall authorize the issuance of those bonds by resolution of its governing board approved by a two-thirds vote of the board.

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SEC. 2. Section 102531 of the Public Utilities Code is amended to read:

102531. The district is a local agency within the meaning of the Revenue Bond Law of 1941, Chapter 6 (commencing with Section 54300); of Part 1; of Division 2; of Title 5 of the Government Code. The term "enterprise" as used in the Revenue Bond Law of 1941 shall, for all purposes of this part, include the system or any or all transit facilities, and all additions, extensions, and improvements thereto, and all other facilities authorized to be acquired, constructed, or completed by the district. Any revenues or other income, receipts, or amounts made available to the district, including, but not limited to, the proceeds of a transactions and use tax imposed under Article 8 (commencing with Section 102350) of Chapter 5 of Division 10 or under any other provision of law, are deemed to be revenues of the enterprise for all purposes of the Revenue Bond Law of 1941. The district may issue revenue bonds under the Revenue Bond Law of 1941, for any one or more transit facilities authorized to be acquired, constructed, or completed by the district or, in the alternative, may issue revenue bonds under the Revenue Bond Law of 1941, for the acquisition, construction, and completion of any one of such those transit facilities. Nothing in this article shall prevent the district from availing itself of, or making use of, any procedure provided in this part for the issuance of bonds of any type or character for any of the transit facilities authorized hereunder, and all proceedings may be carried on simultaneously or, in the alternative, as the board may determine.

SEC. 3. Section 102582 of the Public Utilities Code is amended to read:

102582. The district may borrow money in accordance with the provisions of Article 7 (commencing with Section 53820), or of Article 7.4 (commencing with Section 53835), Article 7.5 (commencing with Section 53840), Article 7.6 (commencing with Section 53850), or Article 7.7 (commencing with Section 53859)

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of Chapter 4, of Part 1, of Division 2, of Title 5 of the Government Code.

SECTION 1. Section 14669.16 is added to the Government Code, to read:

14669.16. (a) Notwithstanding any other law, the Director of General Services, with the consent of the State Board of Equalization, may enter into a lease, lease-purchase agreement, or a lease with an option to purchase for a build-to-suit facility, for the relocation of the State Board of Equalization in the Sacramento region. The director may enter into one or more agreements or leases for the purposes of providing usable office and related space in the Sacramento region in order to consolidate various departments of the State Board of Equalization into a single location.

- (b) (1) The Department of General Services shall develop the terms and conditions of the agreements or leases authorized by this section, and provide them to the Department of Finance for review and approval prior to soliciting bids. The department shall obtain approval from the Department of Finance prior to execution of any agreement or lease.
- (2) The department shall notify the chairpersons of the fiscal committees of the Legislature and the Joint Legislative Budget Committee, or his or her designee, at least 30 days prior to executing the agreement for a lease, lease-purchase, or lease with an option to purchase for a build-to-suit of real property authorized by this section of both of the following: (A) the terms and conditions of the agreement or lease; and (B) the department's plan for replacing the State Board of Equalization's current state-owned headquarters building with other state tenants. The department may proceed with the agreement or lease 30 days following the date the department gave notice to the chairpersons.
- (c) The department shall be reimbursed for any reasonable cost or expense incurred for the transactions described in this section.